

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 439** HLS 09RS 1264
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: May 6, 2009 9:00 AM	Author: ELLINGTON
Dept./Agy.: Agriculture & Forestry	
Subject: Louisiana Catfish Marketing Law	Analyst: Travis McIlwain

AGRICULTURAL COMMODITIES OR +\$309,054 GF EX See Note Page 1 of 1
Requires country of origin labeling in retail and food service establishments for catfish products

This bill creates the Louisiana Catfish Marketing Law which requires country of origin labeling in retail and food service establishments in order to provide clear information on the origin. Proposed legislation provides that the commissioner may require any person that prepares, stores, handles, or distributes catfish for retail sale maintain a verifiable record keeping audit trail. This bill provides for the commissioner to regulate and inspect retail and food service establishments and have the authority to enter the premises of any wholesaler, processor, distributor, retailer or any other person selling catfish, catfish products, etc. Legislation provides for fines as follows: 1st offense - not more than \$1,000 fine, 2nd offense - not more than \$2,000, 3rd offense - not more than \$5,000. Proposed legislation provides the commissioner the authority to gather laboratory testing samples of catfish products from the wholesaler, distributor, or retailer.

Effective November 1, 2009.

EXPENDITURES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$309,054	\$321,416	\$334,273	\$347,644	\$361,549	\$1,673,936
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$309,054	\$321,416	\$334,273	\$347,644	\$361,549	\$1,673,936

REVENUES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This bill requires the commissioner of agriculture to regulate and inspect retail and food service establishments for compliance with proposed law and gives the commissioner of agriculture the authority to enter the premises to pull catfish samples for laboratory testing to determine compliance with legislation. The department is estimating the need for 4 additional agricultural and environmental specialists and associated operating expenditures at an estimated cost of \$309,054 in FY 10. The specific expenditure breakdown is a follows: personal services - \$198,240, operating services - \$47,224, travel - \$3,613, supplies - \$59,977. The subsequent year impact assumes a 4% growth in expenditures.

According to the latest data provided by the Louisiana Workforce Commission, there are approximately 7,485 entities classified as food services, 2,182 entities classified as food and beverage stores and 3,756 entities classified as merchant wholesalers (durable goods) for a total of 13,423 entities the department may be required to inspect. However, this is likely an overstatement of the number of organizations that may be subject to inspections because is not known how many of these entities sell catfish products. The department is estimating a 15% increase in inspection volume as a result of this bill.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. Any increase in revenues generated through the imposition of fines created by this legislation would accrue to local governmental entities.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	 Robert E. Hosse LFO Staff Director
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	